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ABSTRACT

Of Utah's 181,428 adults without a high school diploma, 27,770 (14,201 males and 13,569 females) were enrolled in an adult basic education (ABE) or General Educational Development (GED) program in FY 1992-93. Of those persons, 15,238 demonstrated improved basic skills for personal satisfaction and increased self-confidence, 6,492 completed ABE, 2,430 obtained a high school diploma, 4,089 passed the GED test (in calendar year 1991), 3,373 learned to speak and listen in English (pre-level 1), 3,454 entered another post-high school vocational and/or college program, and 49,563 earned credits toward a high school diploma. The following economic achievements among the FY 1992-93 ABE and GED program enrollees were noted: 3,522 obtained a job, 2,863 obtained a better job with a salary increase, 1,353 were removed from public assistance. During the same fiscal year, Utah ABE and GED programs served 13,298 unemployed individuals and 6,103 recipients of public assistance. The annual percentage rate of return on Utah's investment in ABE and GED for the year was calculated at 109.78%. For every $1 invested in ABE and GED, Utah received $7.63 in saved, earned, or returned income. (Twenty-five tables/charts are included.) (MN)

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ED 369 891

FY 1992-93

Cost Effectiveness of the State Adult Basic and Adult High School Program

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COST EFFECTIVENESS OF THE STATE ADULT BASIC EDUCATION AND ADULT HIGH SCHOOL PROGRAM

FY 1992-93

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Salt Lake City, Utah

December 1993

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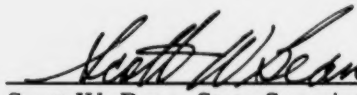
FOREWORD

On behalf of Adult Education, the Utah State Office of Education is proud to submit a report which describes the cost effectiveness of the State Adult Basic and Adult High School Program. This is an especially important report in the light of tight public resources and the need to increase accountability in the use of taxpayer dollars. This report is also important to an understanding of our commitment to a well-trained work force and citizenry who are dedicated to maintain and improve our competitive edge in the marketplace and to enhance our quality of life.

The pages of this report describe the educational and economic achievements and challenges of the Adult Education Program; therefore, the contents of this report should be studied: one, for an understanding of the contributions the Adult Education Program is making to the economy and to the lives of our citizens; and two, for the purpose of improving the quality and delivery of adult education services.



Scott W. Bean, State Superintendent
of Public Instruction

COST EFFECTIVENESS OF THE STATE ADULT BASIC EDUCATION AND ADULT HIGH SCHOOL PROGRAM
FY 1992-93

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A. General Achievement Information

•	Target Population/Utah Adults Without a High School Diploma (1990 Census)	181,428
•	Percentage of Utah Adults Without a High School Diploma	16.0%
•	Total Enrollees (16 years of age and over)	
	(a) Male	14,201
	(b) Female	13,569
	Total	27,770
•	Educational Achievements	
	(a) Attended Adult Basic and Adult High School Completion Classes (levels 0-12)	27,770
	(b) Improved Basic Skills for Personal Satisfaction and Increased Self Confidence	15,238
	(c) Completed Adult Basic Education (levels 0-5 reading, writing, and computation classes)	6,492
	(d) Obtained a High School Diploma	2,430
	(e) Passed GED test (calendar year 1991)	4,089
	(f) Learned to Speak and Listen in English (pre-level 1)	3,373
	(g) Entered Another Post-High School Vocational and/or College Program	3,454
	(h) Credits Awarded Toward a High School Diploma	49,563
•	Economic Achievements	
	(a) Obtained a Job	3,522

(b)	Obtained a Better Job with Salary Increase	2,863
(c)	Removed from Public Assistance	1,353
(d)	Unemployed Served	13,298
(e)	Public Assistance Recipients Served	6,103

- Annual Percentage Rate of Return on Investment 109.78%
  (See following pages.)

- For every $1 invested, our state received $7.63 in saved, earned, or returned income. (See following pages.)

B. Adult Education: An Investment with High Economic Returns

Table 1

ECONOMIC INVESTMENT BALANCE SHEET
ADULT BASIC EDUCATION AND ADULT HIGH SCHOOL
ECONOMIC ACHIEVEMENTS - FY 1993[1]

Total Federal and State Dollars Expended (Invested)	
Adult Education for the Homeless (Federal McKinney/Jan. 1, 1993 - Dec. 31, 1993)	$ 217,000
Eligible Legalized Aliens (Federal IRCA/Oct. 1, 1992 - Sept. 30, 1993)	81,000
Federal Adult Education Act	1,104,000
Federal Limited English Proficiency (Community-Based)	23,000
State Adult High School	4,393,000
Federal Adult Education Resource Center	23,000
TOTAL	$5,841,000
Estimated Dollars Saved or Returned on Investment	
New Tax Revenues	$6,465,098
Public Assistance Savings	5,788,621
TOTAL	$12,253,719
Net Return on Investment	$6,412,719
Annual Percentage Rate of Return on Investment	109.78%

Table 2

ECONOMIC RETURN ON THE FY 1993 ADULT BASIC EDUCATION
AND ADULT HIGH SCHOOL PROGRAM EXCEEDS 44 MILLION DOLLARS[1]

Sources of Return	Dollars
Net Income (Salaries/Wages)	$31,134,480
Reduced Public Assistance Payments	5,788,621
Increased Taxes Paid	6,465,098
Increased Income (Promotion/Salary Increases)	1,191,008
TOTAL (Estimated Income Saved, Earned, or Returned)	$44,579,207

[1] See pages 4 & 5 of this booklet for information on how these figures were derived.

C. Summary: Cost Effectiveness of the Adult Education Program

1. For every $1 invested, our state received $7.63 in saved, earned, or returned income.

2. State savings, $5,788,621 (1,353 enrollees removed from welfare roles).

3. Money put back into the economy $31,134,480 (3,522 adult enrollees obtained jobs).

4. Money added to the economy $1,191,008 (2,863 enrollees received job promotions).

5. Increased tax payments $6,465,098 (estimated federal, state, and local taxes generated by new or increased earnings).

The above data and information were calculated using July 1, 1992 - June 30, 1993 program data as follows:

Public Assistance

1. Number of adult education learners removed from public assistance in FY 1992-93	1,353
2. Estimated savings in public aid grants annually (average state monthly payment of $356.53 x 12 months x 1,353 enrollees)	$5,788,621

Employment

1. Number of adult education learners who became employed as a result of adult education.	3,522
2. Projected income earned by adults who became employed (number of adults receiving jobs as a direct or indirect result of attending adult education classes multiplied by the minimum hourly wage of $4.25 x 40 hours x 52 weeks x 3,522).	$31,134,480

Job Promotion

1. Number of adults who obtained a better job or salary increase as a result of adult education.	2,863
2. Projected additional income earned by adults who were promoted, or received a salary increase as a result of adult education (number of adults receiving a promotion multiplied by $.20 per hour x 40 hours x 52 weeks).	$1,191,008

Increased Revenue

1. From the projected total earnings of those employed plus the projected additional money earned through promotion ($31,134,480 + $1,191,008 = $32,325,488), the dollar estimate of the amount of the combined local, state, and federal taxes (20% rate estimated) returned to government.	$6,465,098
2. Total savings to the state ($6,465,098 + $5,788,621).	$12,253,719

Net Gain

The cost to operate this program, inclusive of federal and state appropriations in FY 1992-93 amounted to $5,841,000. The full return was $12,253,719 resulting in a net gain to the state of $6,412,719. The net percentage gain on investment is 109.78 percent.

D. Selected Adult Education Achievement Charts

On the following pages are selected charts which describe the achievements and challenges of the adult education program. These charts should be studied for understanding and improving the quality and delivery of adult education services.

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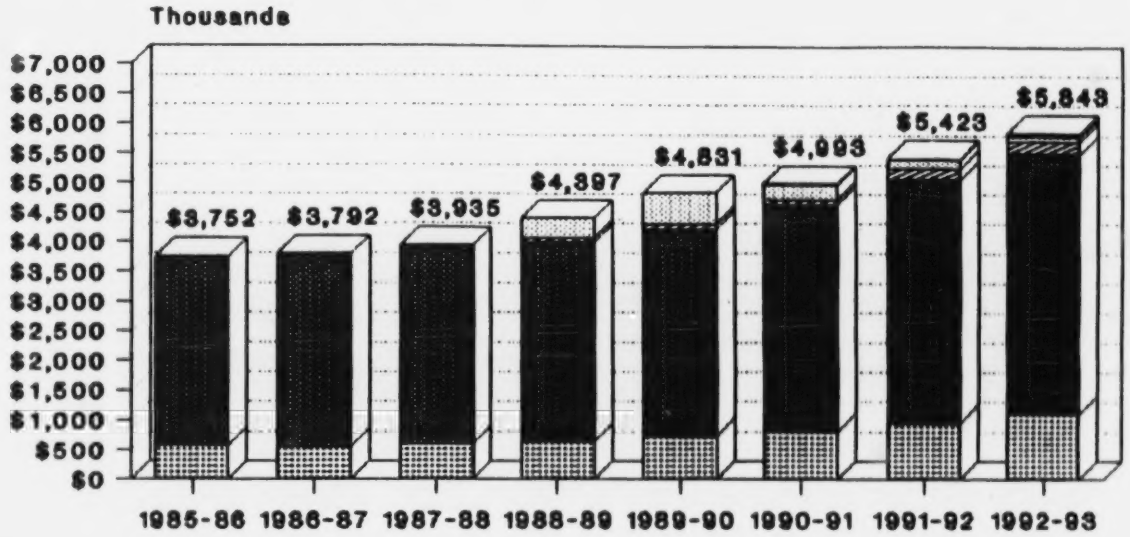
Adult Education Program
Appropriations by Source & Fiscal Year*



	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93
Fed. Adult Res. Ct.								$23
Fed. Limited Eng.Act						$25	$21	$25
Federal IRCA Act				$335	$536	$251	$150	$81
Federal Homeless Act				$75	$88	$87	$191	$217
State AHC Act	$3,173	$3,238	$3,331	$3,346	$3,484	$3,824	$4,110	$4,893
Federal Adult Act	$579	$554	$604	$641	$723	$806	$951	$1,104

Federal Adult Act
State AHC Act
Federal Homeless Act
Federal IRCA Act
Fed. Limited Eng.Ac
Fed. Adult Res. Ct.

* Homeless/SLIAG Different Budget Period

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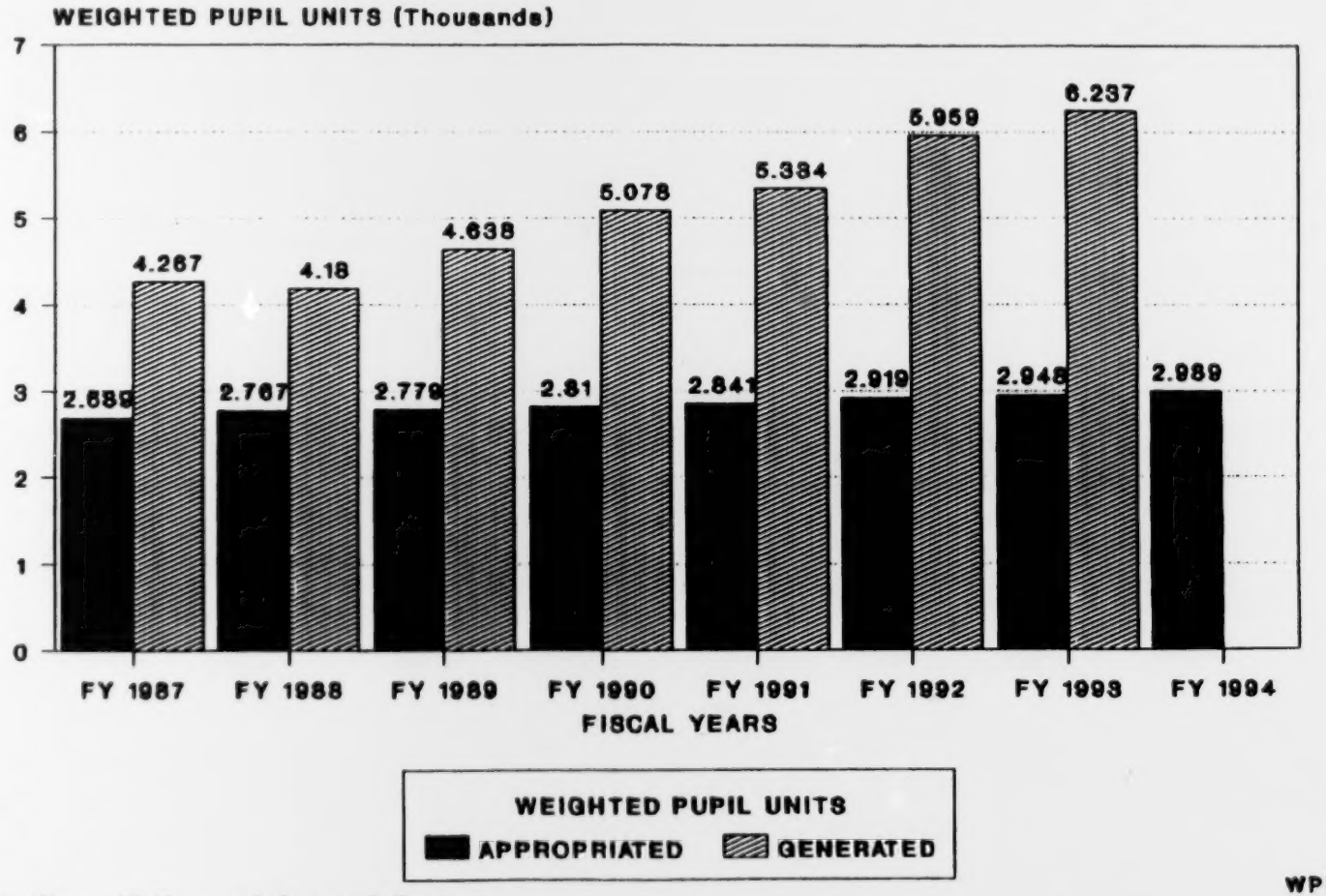
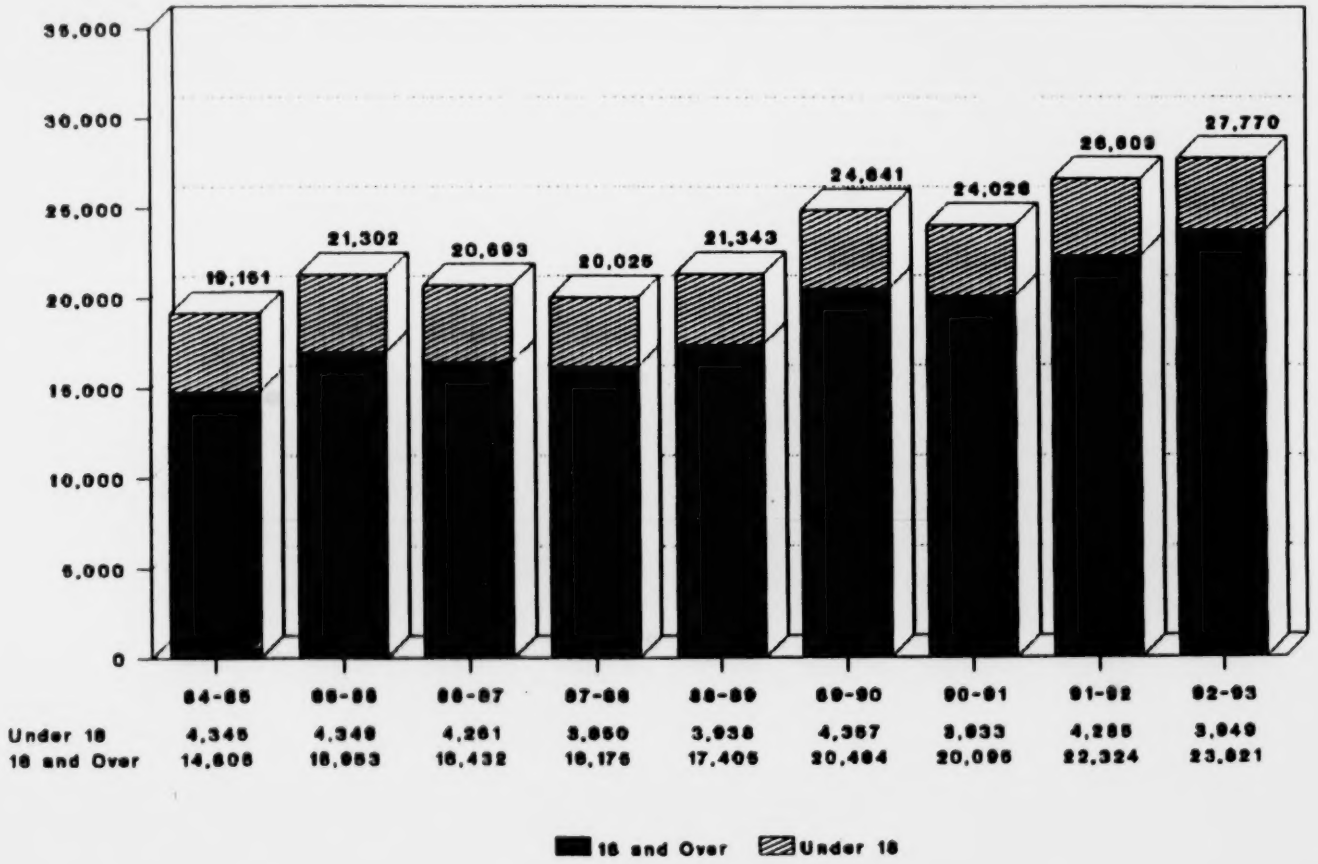
STATE ADULT HIGH SCHOOL WEIGHTED PUPIL UNITS GENERATED & APPROP. BY FISCAL YEAR



•Enrollees 18 Years of Age and Over.

Adult Basic Education and Adult High School Enrollees by Fiscal Year*



*Includes Individuals Under 18

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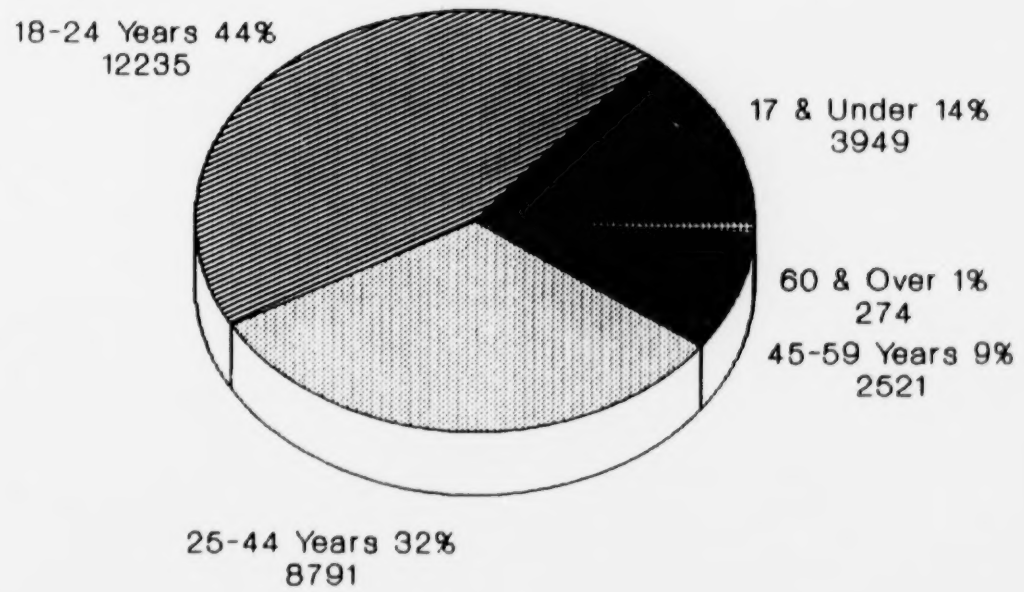
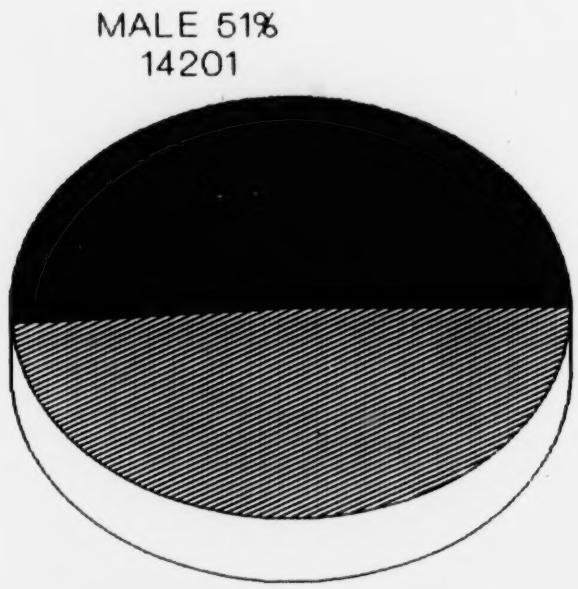
FY1992-93 Adult Basic Education and Adult High School Enrollees by Age Categories*



*Total Number of Enrollees 27,770

ENROLLE2.CHT

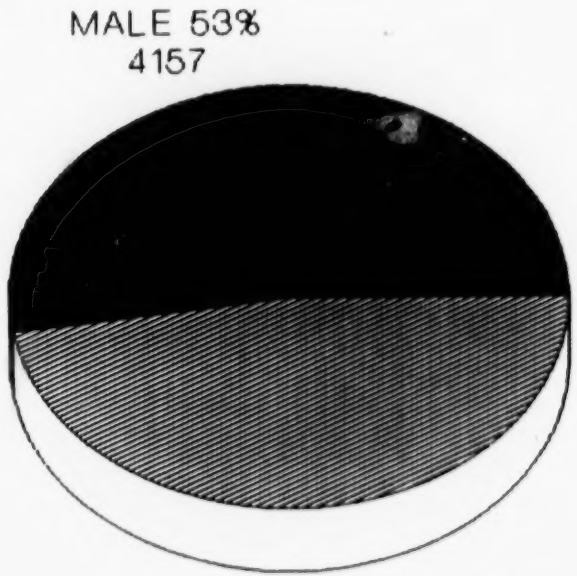
FY1992-93 Adult Basic Education and Adult High School Enrollees by Sex*



*Includes 3949 Individuals Under 18

ENROLLE6.CHT

FY1992-93 Adult Basic Education Enrollees by Sex*



*Includes 572 Individuals Under 18

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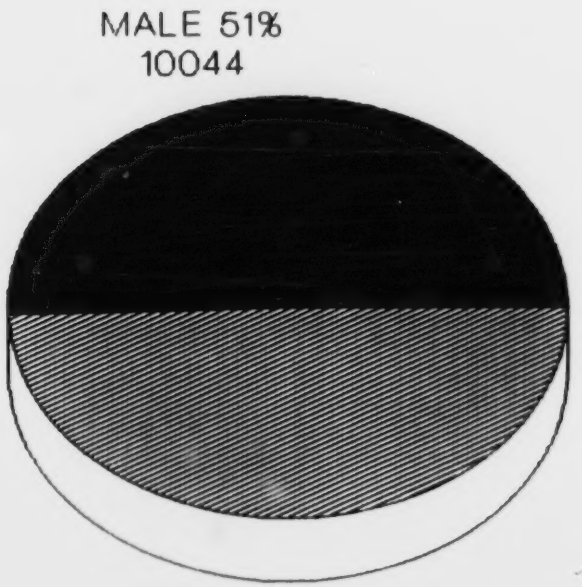
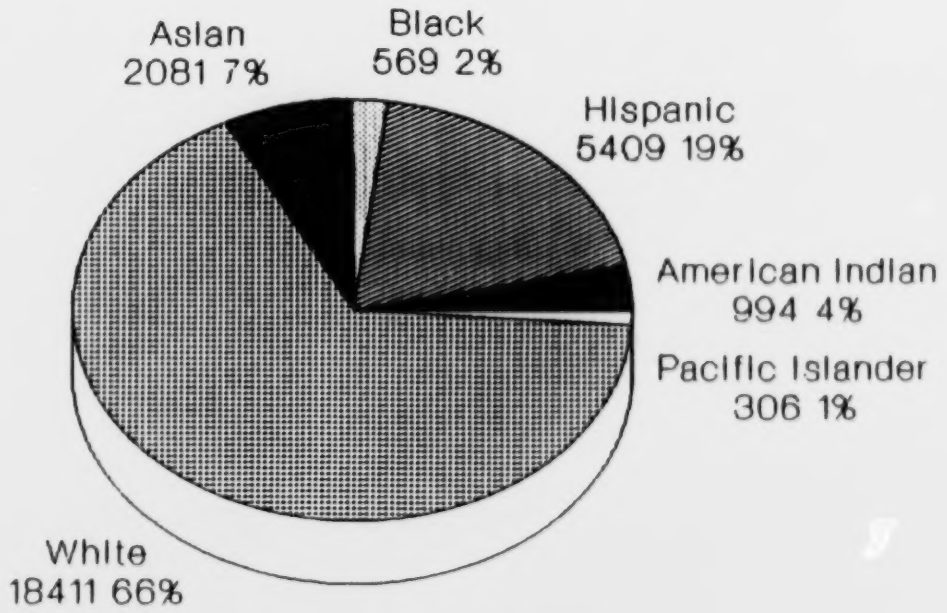
FY1992-93 Adult High School Enrollees by Sex*



*Includes 3377 Individuals Under 18

ENROLLES.CHT

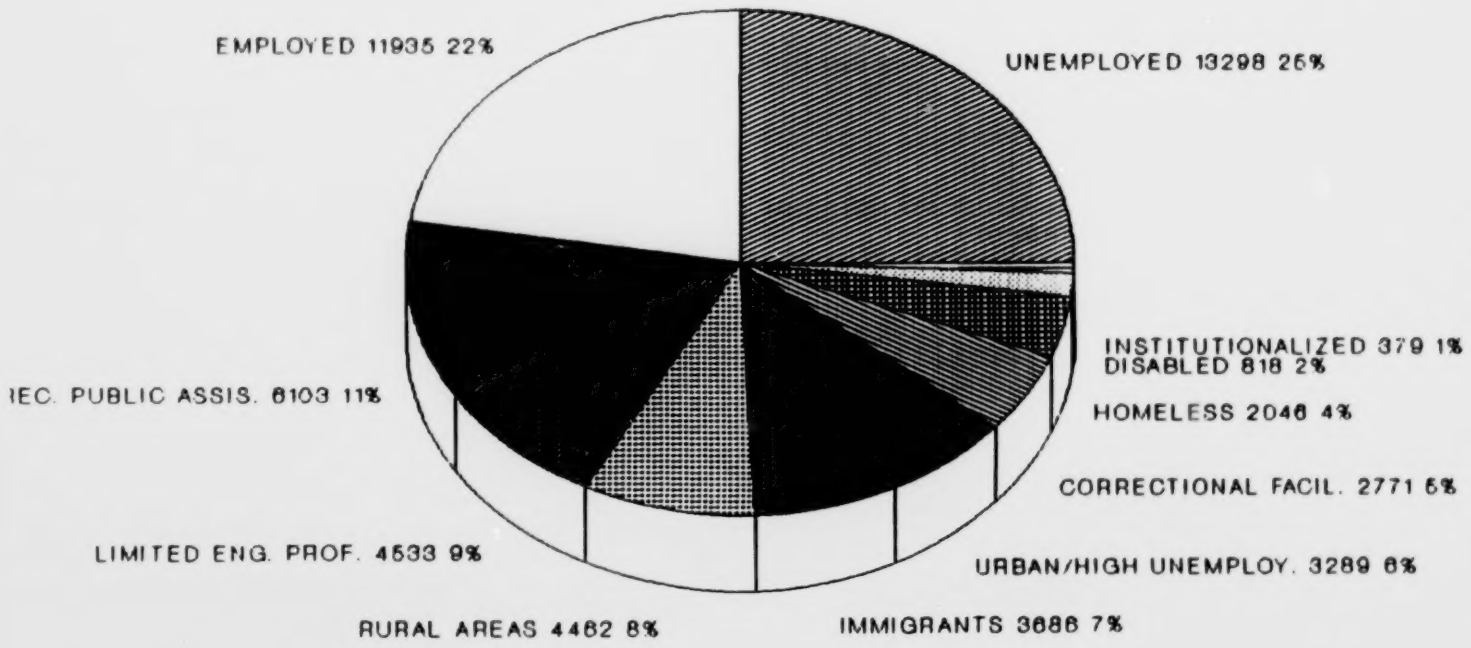
FY1992-93 Adult Basic Education and Adult High School Enrollees by Race and Selected Ethnic Groups*



*Includes 3,949 Individuals Under 18

ENROLLES.CHT

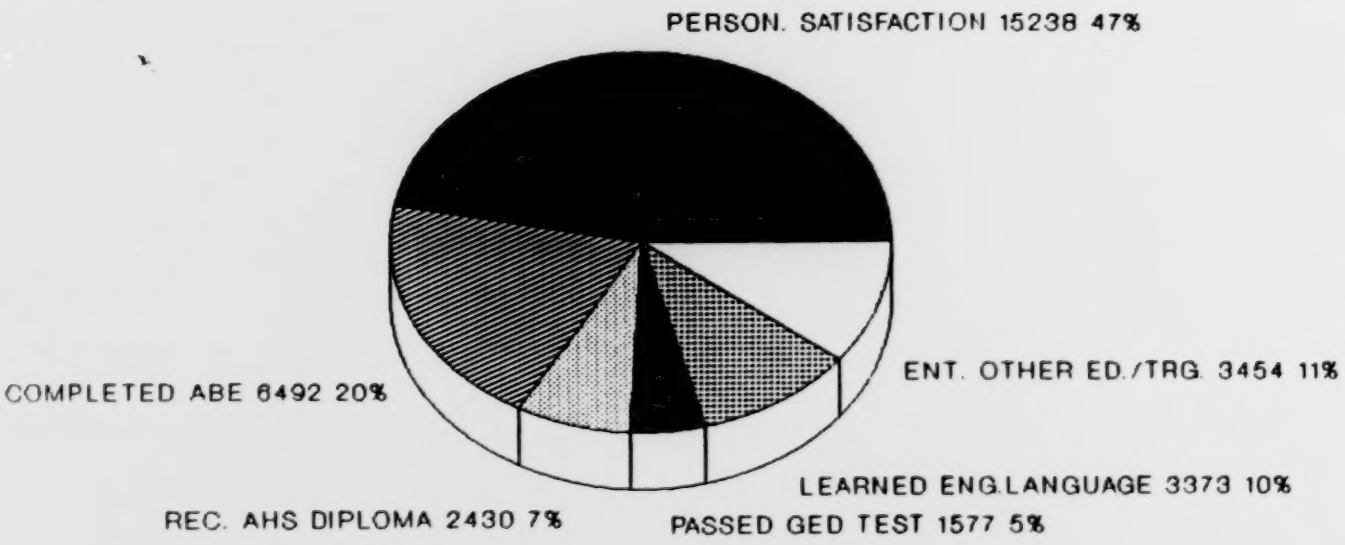
Profile of Adult Basic Education and Adult High School Enrollees Upon Program Entry*



*FY1992-93 DATA

PROFILE .CHT

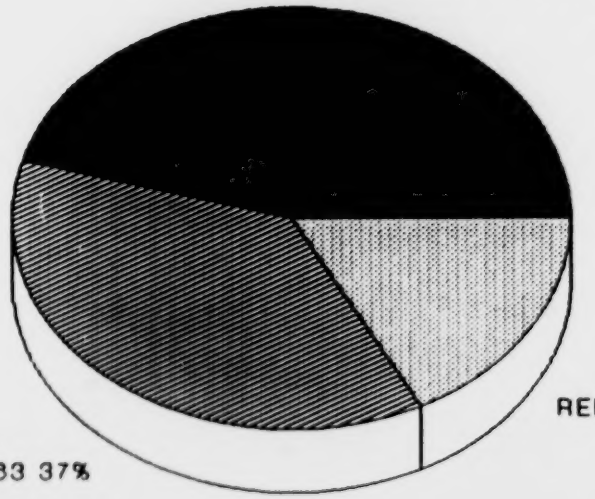
Educational Achievements of Adult Basic Education and Adult High School Enrollees*


PERSON. SATISFACTION 15238 47%
COMPLETED ABE 6492 20%
ENT. OTHER ED./TRG. 3454 11%
LEARNED ENG.LANGUAGE 3373 10%
REC. AHS DIPLOMA 2430 7%
PASSED GED TEST 1577 5%

*FY 1992-93

ACHIEV .CHT

Economic Achievements of Adult Basic Education and Adult High School Enrollees*



*FY1992-93

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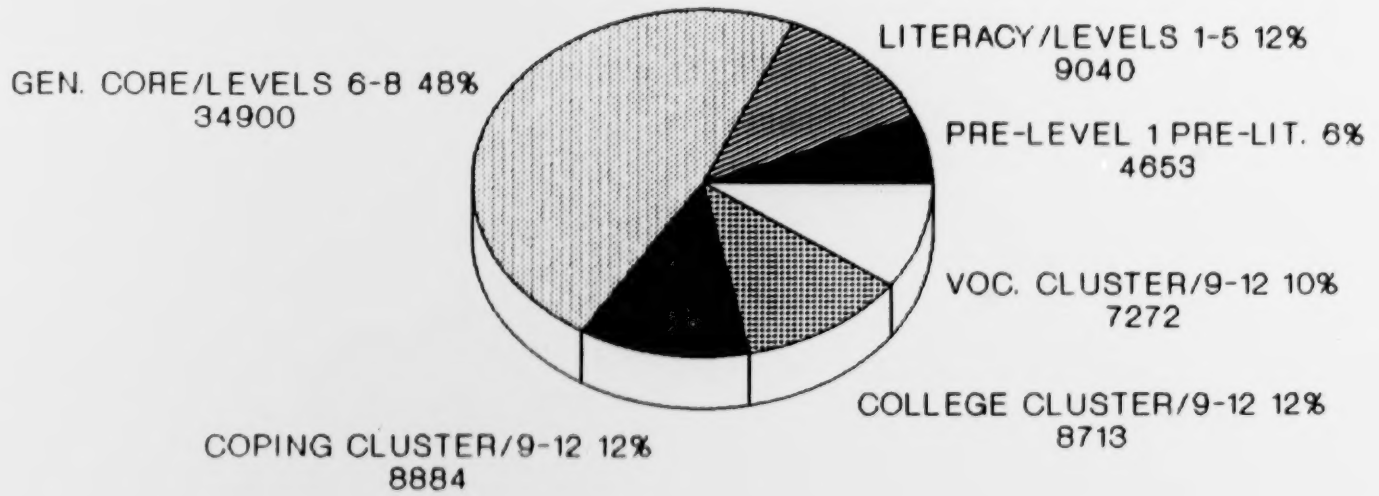
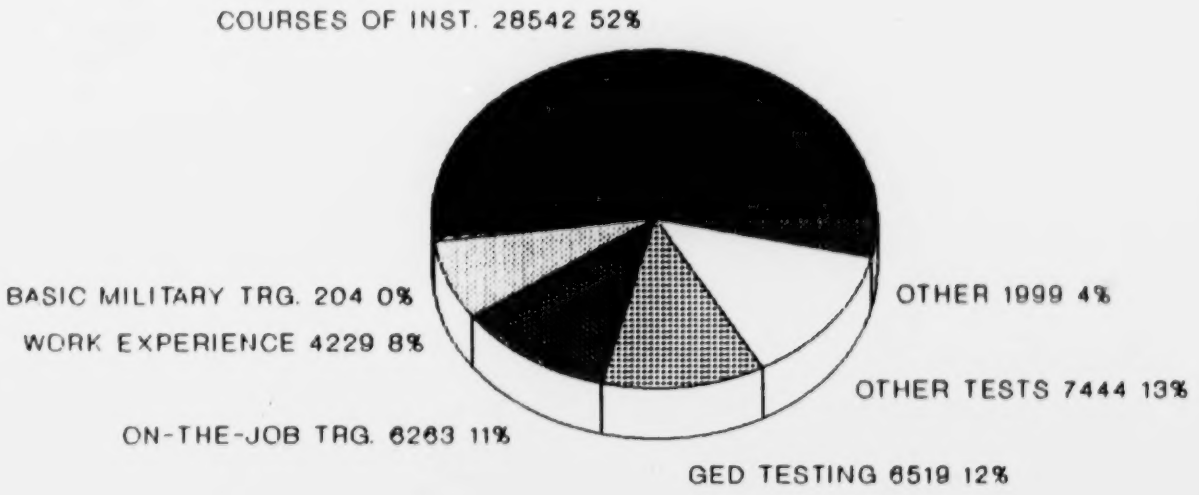
Total Adult Basic Education and Adult High School Enrollments* for FY 1993 By Instructional Levels & Sub. Areas



*Duplicated Count of Students

ENROLL1 .CHT

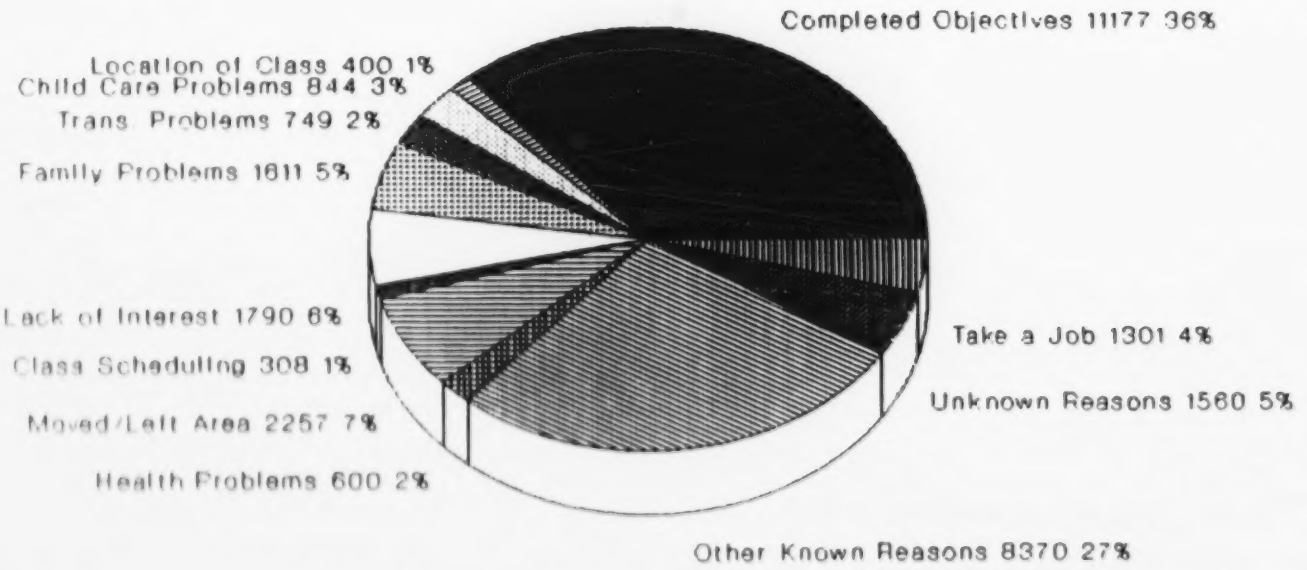
Adult High School Impact Data
Number of Units of Adult High School Credit Awarded From All Sources by Total


COURSES OF INST. 28542 52%
BASIC MILITARY TRG. 204 0%
WORK EXPERIENCE 4229 8%
ON-THE-JOB TRG. 6263 11%
GED TESTING 6519 12%
OTHER TESTS 7444 13%
OTHER 1999 4%

•FY1992-93 Data

CREDIT .CHT

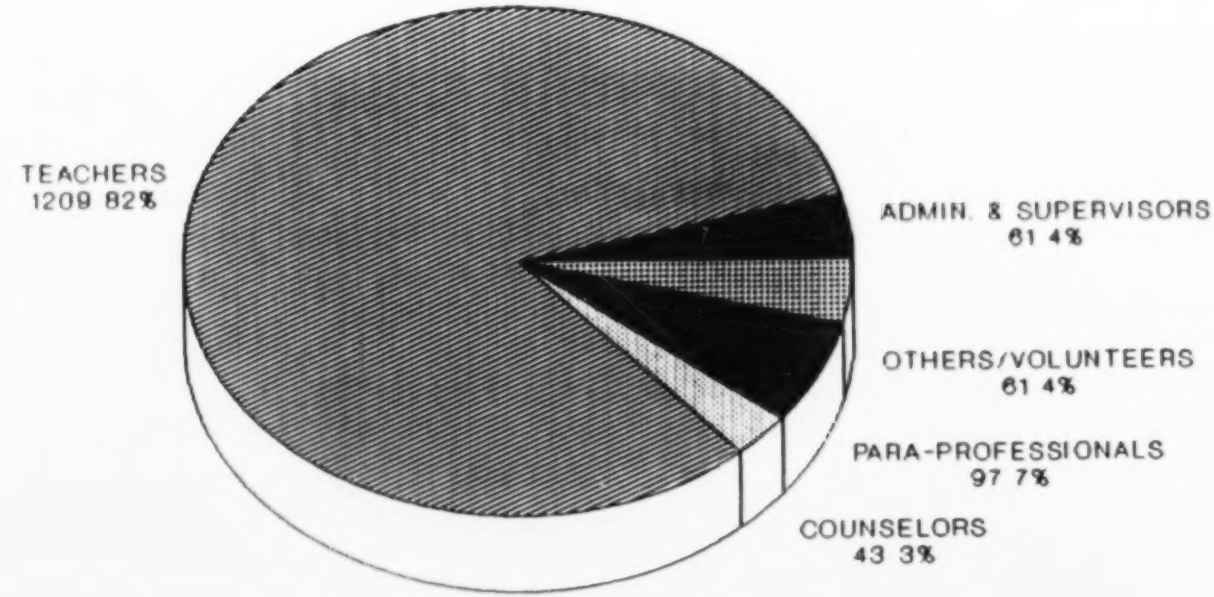
Adult Basic Education and Adult High School Students Leaving the Instructional Program and Their Reasons*


Completed Objectives 11177 36%
Location of Class 400 1%
Child Care Problems 844 3%
Trans. Problems 749 2%
Family Problems 1611 5%
Lack of Interest 1790 6%
Class Scheduling 308 1%
Moved/Left Area 2257 7%
Health Problems 600 2%
Take a Job 1301 4%
Unknown Reasons 1560 5%
Other Known Reasons 8370 27%

*FY1992-93

REASONS .CHT

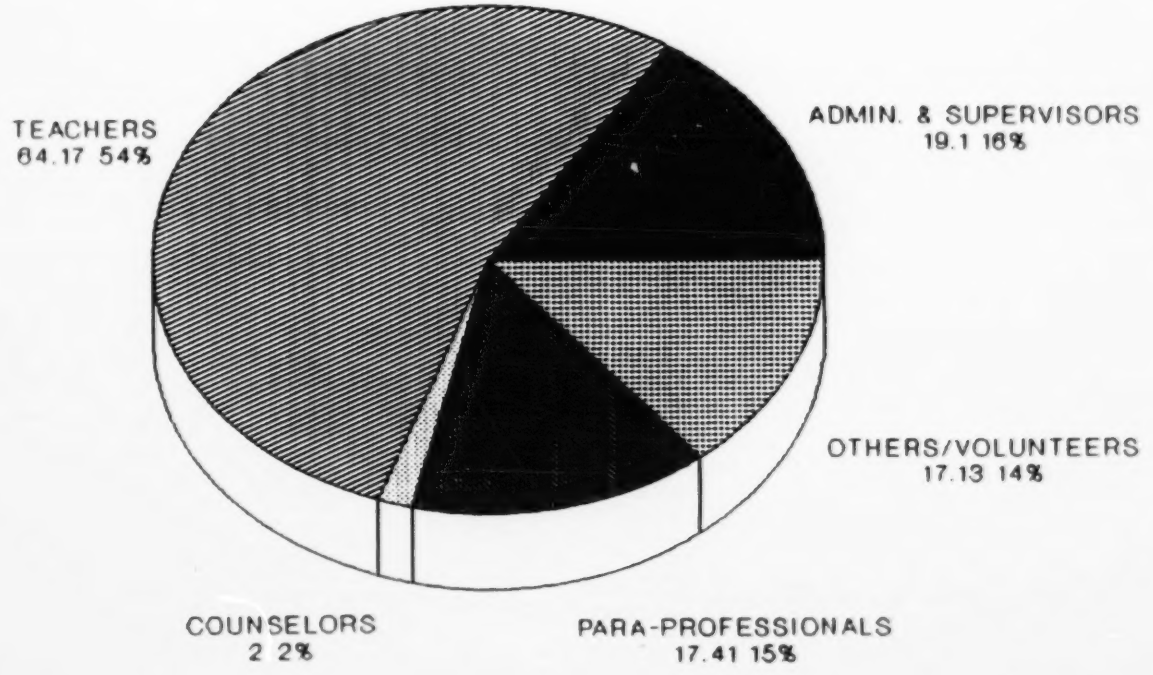
Number of Part-Time Adult Basic Education and Adult High School Personnel by Type of Job Performed*



*FY1992-93

PERSONN .CHT

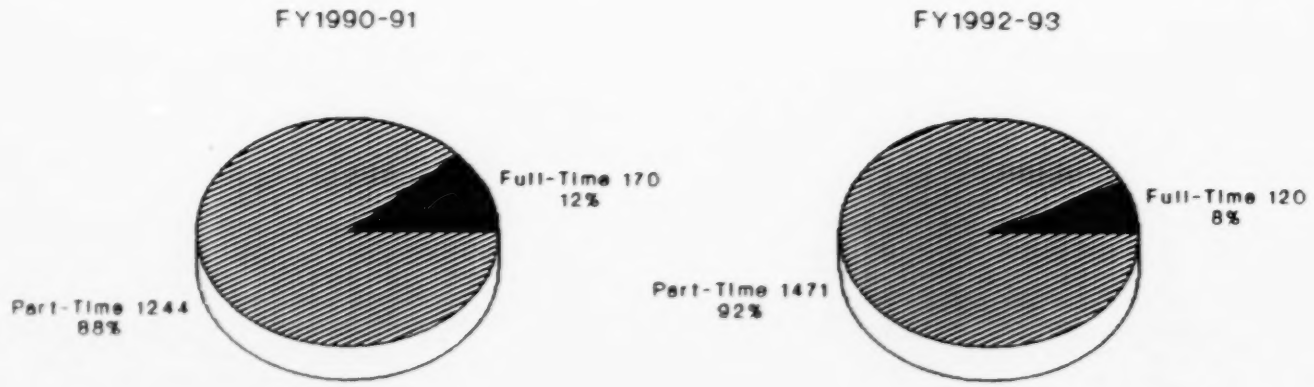
Number of Full-Time Adult Basic Education and Adult High School Personnel by Type of Job Performed*



*FY1992-93

PERSONN .CHT

Adult Basic Education and Adult High School Personnel* Part-Time and Full-Time Staff



*Data Derived from USOE's Narrative and Statistical Reports

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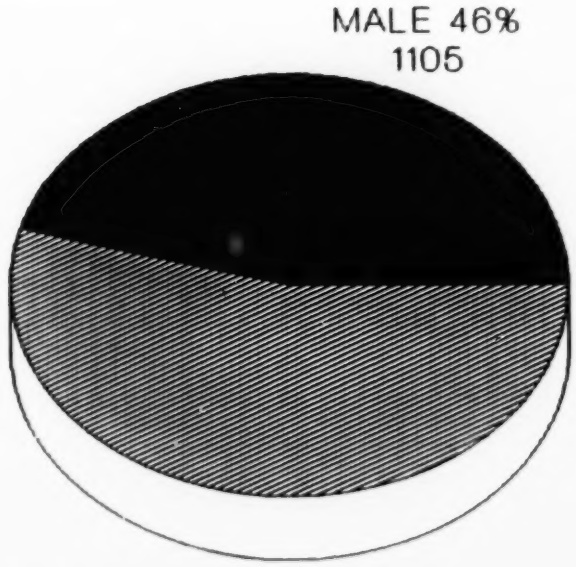
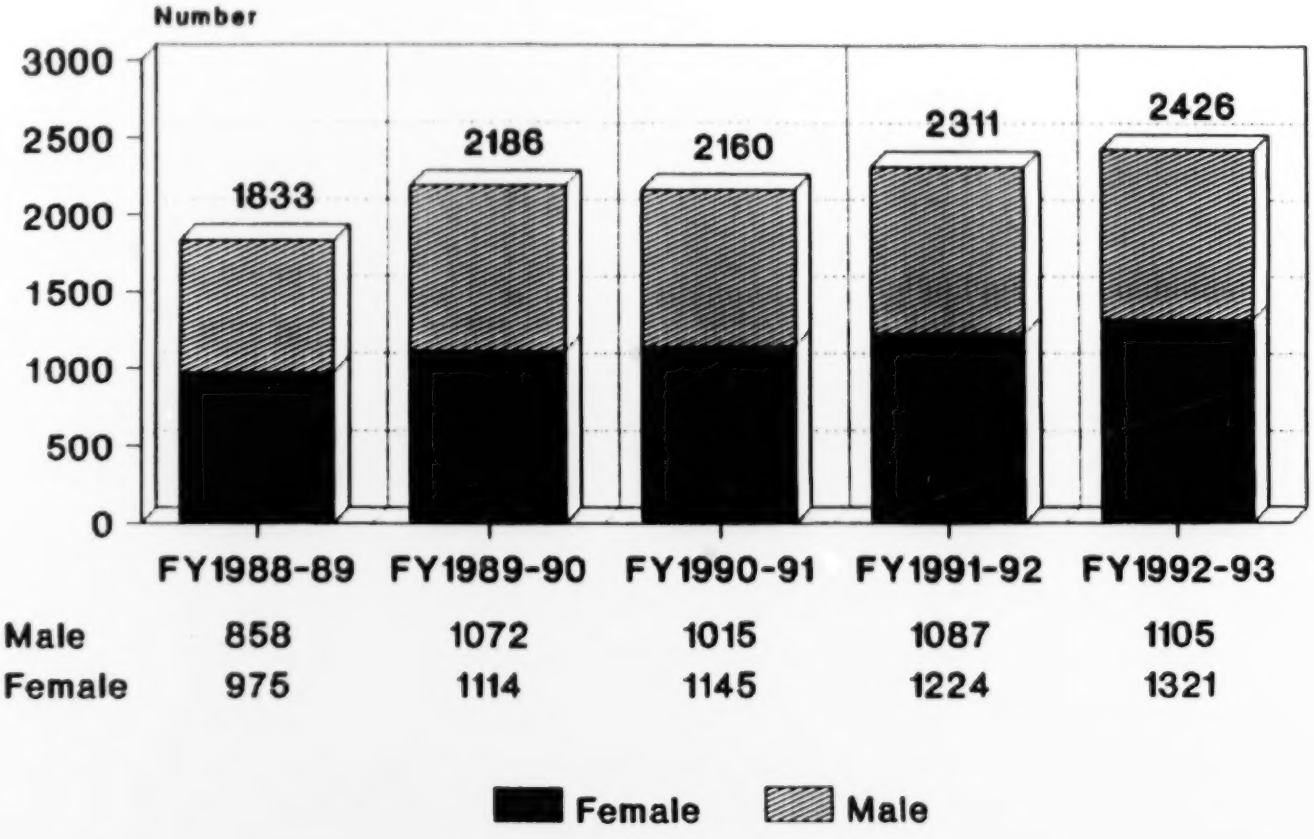
Number of FY 1992-93 Adult High School Graduates*



*18 Years of Age and Over

ENROLLE4

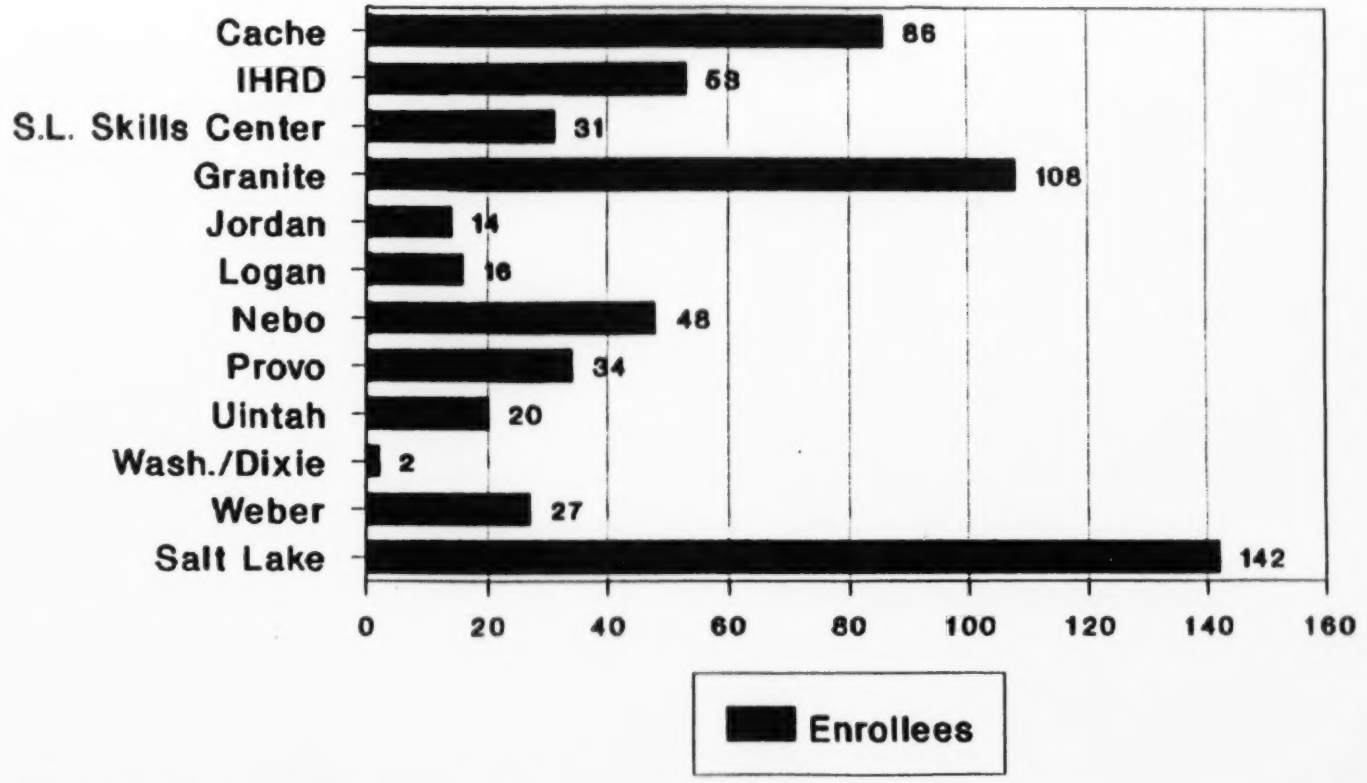
Number of Adult High School Graduates by Fiscal Year*



*18 Years of Age and Over

Graduates

Adult Eligible Legalized Alien Instructional Program*
(Oct.1, 1992 through Sept. 30, 1993)



*Total Number of Enrollees: 581

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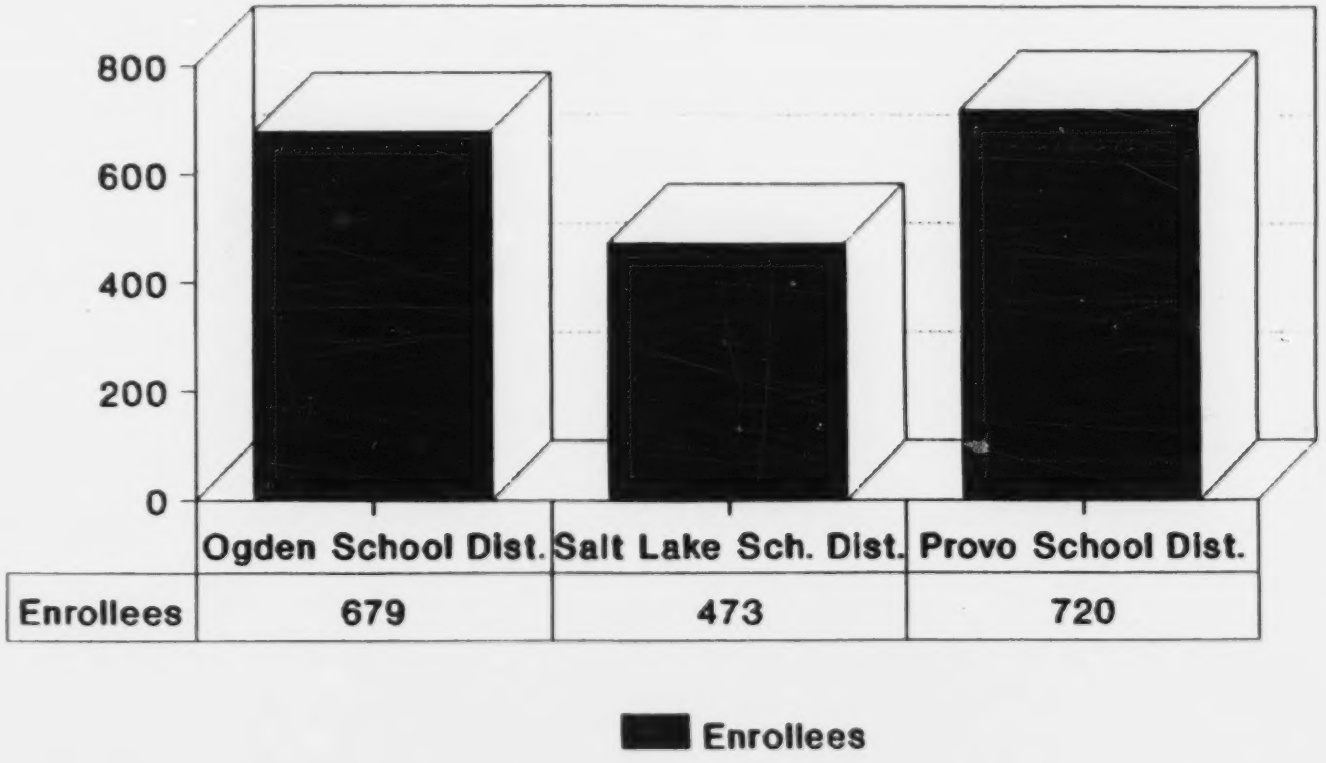
Adult Education for the Homeless By Program*
July 1, 1992 through June 30,1993



*Total Enrollees 1872

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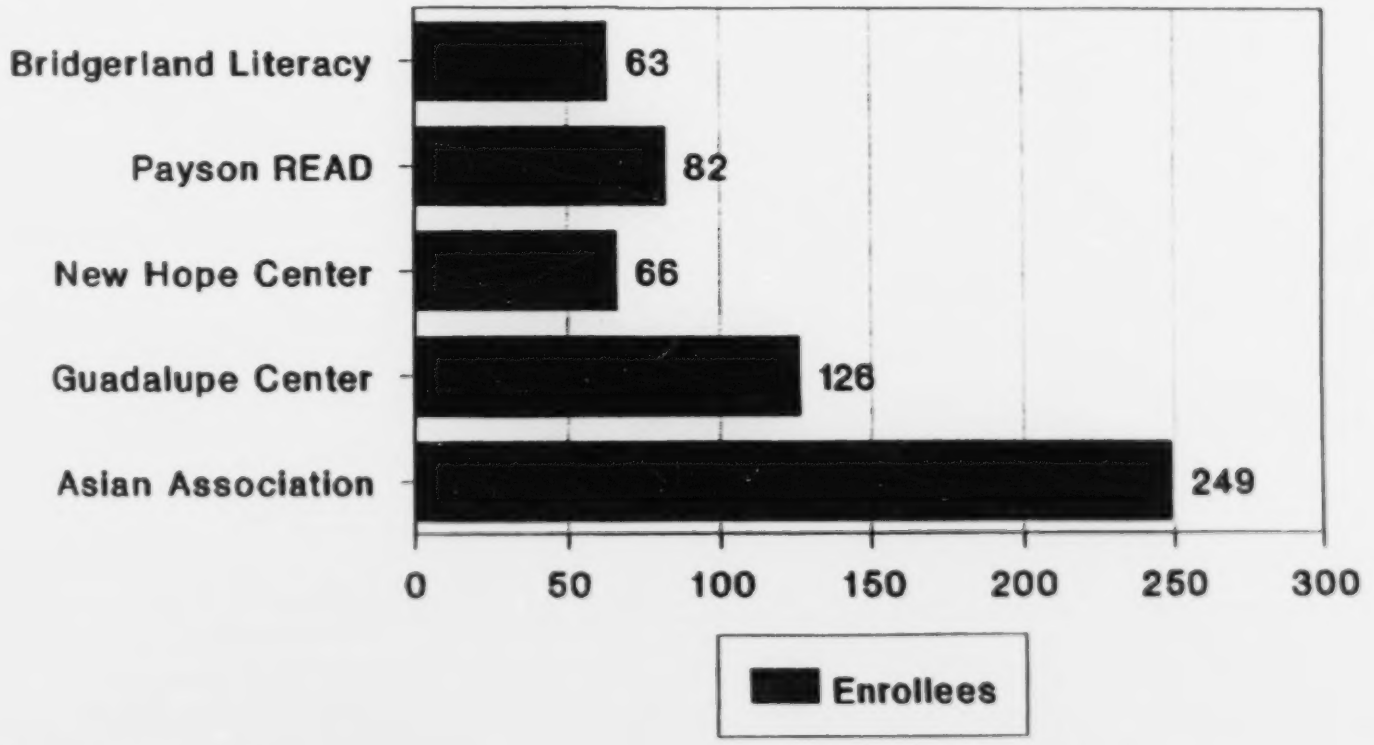
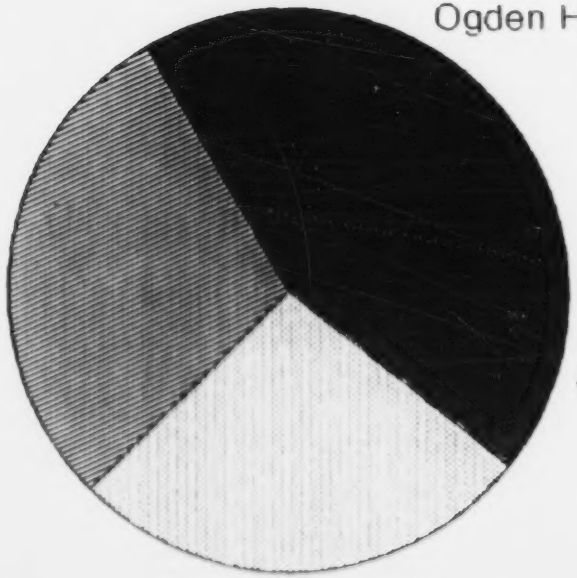
Community-Based Adult Education Programs for Limited English Proficient Adults FY1992-93



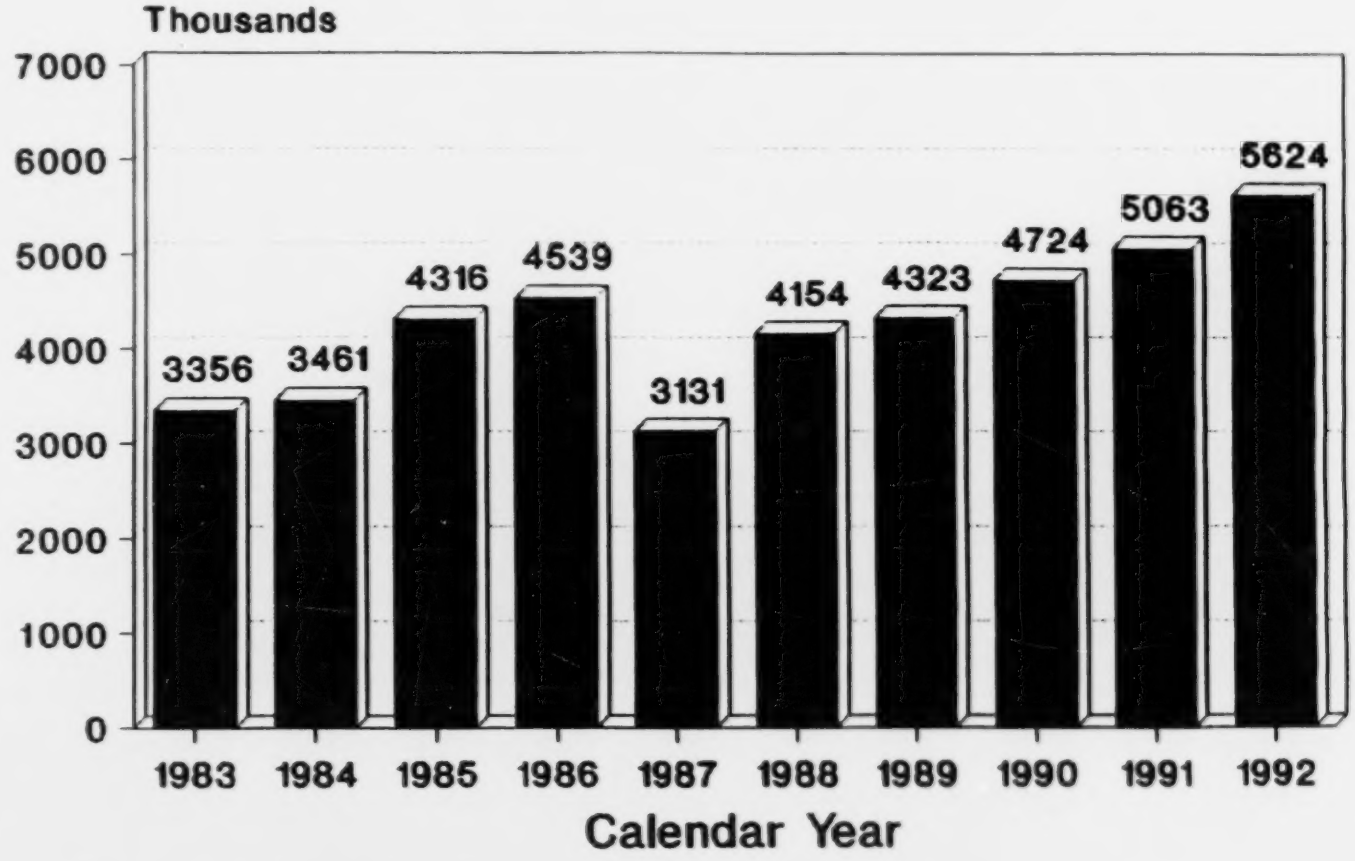
•Total Enrollees 586

Limited

Adult Gateway or Public Housing Enrollees by Local Providers FY 1992-93



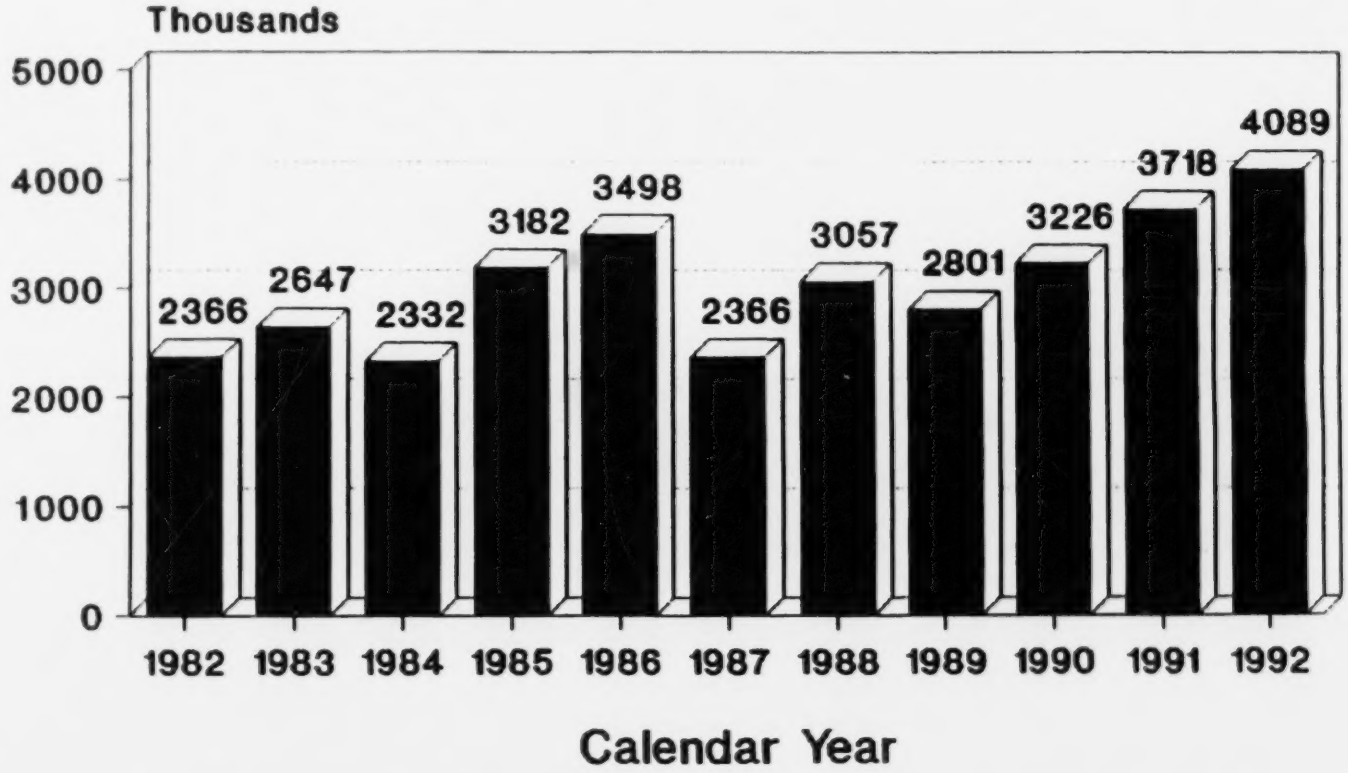
Utah GED Achievements
Number of Persons Tested



•Source: American Council on Education

GED

Utah GED Achievements
Number of Persons Tested Meeting State Score Requirements



•Source: American Council on Education

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